

MOTOR VEHICLE SALES FINANCE ACT (EXCERPT)
Act 27 of 1950 (Ex. Sess.)

492.112 Installment sale contract; contents; signatures; buyer's copy; notice; form; delivery acknowledgment; payments; applicability.

Sec. 12. (a) An installment sale contract shall be in writing, and shall contain all of the agreements between the buyer and the seller relating to the installment sale of the motor vehicle sold, and shall be signed by both the buyer and the seller.

(b) An installment sale contract shall be completed as to all essential provisions prior to the signing of the contract by the buyer and contain such other information as the administrator may require.

(c) An exact copy of the installment sale contract shall be furnished by the seller to the buyer without charge at the time the buyer signs the contract. The buyer's copy of the contract shall contain the signature of the seller identical with the signature on the original contract.

(d) An installment sale contract shall contain the following notice printed prominently and in the form indicated in 12-point type or larger directly above the space provided in the contract form for the signature of the buyer:

“Notice to buyer. Do not sign this contract in blank. You are entitled to 1 true copy of the contract you sign without charge. Keep it to protect your legal rights.”

(e) The seller shall obtain from the buyer a written acknowledgment of the delivery of the copy of the contract. The acknowledgment shall be printed in 12-point type or larger and, if attached to the contract, it shall be printed below the buyer's signature to the contract and independently signed.

(f) An installment sale contract shall provide for weekly, semi-monthly, or monthly payments of the time balance in substantially equal periods and amounts. This subdivision does not apply to installment sale contracts made between an installment seller and an installment buyer who is an employee of the installment seller. This subdivision shall not be construed to prohibit installment sales contracts that extend the time for making installment payments for a period of not to exceed 3 months. This subdivision does not preclude the exceptional installment sale contract provided for in section 22 of this act.

History: 1950, Ex. Sess., Act 27, Eff. Mar. 31, 1951;—Am. 1954, Act 132, Imd. Eff. Apr. 23, 1954;—Am. 1994, Act 2, Imd. Eff. Feb. 17, 1994.